

GENERACIÓN EÓLICA INDIA PRIVATE LIMITED

12/13, Esplanade, 3rd Floor,
3, Amrit Keshav Nayak Marg, Fort,
Mumbai 400 001

Tel.: (+91) 22.071.721

**CERTIFIED TRUE COPY OF THE EXTRACT OF THE MINUTES OF THE BOARD MEETING
HELD AT THE OFFICES OF EOLICA NAVARRA S.L, FRAUCA 13, 31500
TUDELA, NAVARRA, SPAIN ON WEDNESDAY 23rd AUGUST, 2006 AT 1.00 P.M.**

UPDATE OF PROJECT :

The Board of Directors discussed and reviewed the proposed 31.2 MW Wind Power Project in India and took a decision on finalization of EPC contractor for the project .

Mr.Mariano Oliver Gomez, Director of the Company appraised the Board on the developments of 31.2 MW Wind Power Project. The project details were noted as follows:

Project Capacity	31.2MW	
Wind Turbine models(E 48/E-53)	800 kW	These are the most reliable wind turbine models of Enercon India Limited
Location	Karnataka	Location is again EPC driven as the sites with wind potential have already been acquired by the wind EPC players .Enercon has presence in Maharashtra, Rajasthan, Gujarat, Tamil Nadu and Karnataka We have discussed with Enercon on the site location. While Enercon has offered us their sites in Karnataka, we are yet to receive confirmation on exact site location.
Project Cost		This is based on offers received from Enercon and subsequent negotiations.
Financing	Mix of Debt and Equity	The project can be financed through a mix of Debt and Equity . Wind projects in India are typically financed through a 70:30 debt: equity mix. Enercon has offered to assist us in arranging finance for the project.
Clean Development Mechanism (CDM)	Yes	The project has strong environmental credentials and is eligible for CDM under the UNFCCC. We have informed Enercon that we will not be able to do the project without CDM benefits and Enercon has assured us that they will provide assistance for CDM registration of the project.

NEXT STEPS FOR THE PROJECT:

The Board noted that :

- It would be appropriate to take the investment decision once the project site is finalised; this is very important as PLF varies from site to site in the same state and even in the same region.
- The other important issue to be considered is that of the project cost. Unless contract with Enercon is finalized now, the price of the wind turbines may go up and the project cost may increase.
- The wind power model in India is such that the potential wind sites are owned by the EPC suppliers; hence the appointment of wind turbine supplier needs to be completed at the earliest. If we go with a different EPC supplier, the project location will be different; it may not even be in the same state.
- Enercon has offered to provide us turn-key assistance including EPC, arranging finance for the project and CDM registration.
- The immediate next step for the project is to finalize the EPC contract with Enercon, a final decision on the project may be taken after the sites are finalized.

The Board considered the aforesaid information placed before it and ,
"RESOLVED THAT -:

1. Enercon India Limited be appointed as the EPC supplier for the project.
2. The Purchase Order (P.O.) be placed on Enercon, in order to freeze the project cost and avoid any further escalation.
3. The final decision to invest in the project will be taken only after the project sites are finalized.
4. Enercon be advised that a final (P.O.) would be placed after site identification process is complete. The supply would commence only after the final (P.O.) is placed with site specification.

FURTHER RESOLVED THAT Mr. Mariano Oliver Gomez and /or Luis Oliver Gomez , Directors of the company are hereby authorised on behalf of the Company to sign and execute all the papers/documents/forms/arrangements letters as may be required to effect the foresaid Resolution .

RESOLVED FURTHER THAT A certified true copy of this resolution be submitted to relevant authorities who may be required to act thereupon the same.

RESOLVED LASTLY THAT Common seal of the Company if required, be affixed on the requisite documents in the presence of Mr. Mariano Oliver Gomez and /or Luis Oliver Gomez Directors of the company who shall countersign the same thereof.

For **GENERACION EOLICA INDIA PRIVATE LIMITED**


MARIANO OLIVER GOMEZ
DIRECTOR